

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. Contract ID Code Firm-Fixed-Price		Page 1 Of 11	
2. Amendment/Modification No. 0002		3. Effective Date 2005FEB03		4. Requisition/Purchase Req No. SEE SCHEDULE		5. Project No. (If applicable)	
6. Issued By HQ AFSC AMSFS-CCA-F KRISTIN ENGELKEN (309)782-3491 ROCK ISLAND, IL 61299-6500 BLDGS 350 & 390 EMAIL: ENGELKENK@AFSC.ARMY.MIL		Code W52P1J		7. Administered By (If other than Item 6) Code			
				SCD PAS ADP PT			
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)				<input checked="" type="checkbox"/>		9A. Amendment Of Solicitation No. W52P1J-05-R-0010	
				<input type="checkbox"/>		9B. Dated (See Item 11) 2005JAN18	
				<input type="checkbox"/>		10A. Modification Of Contract/Order No.	
				<input type="checkbox"/>		10B. Dated (See Item 13)	
Code		Facility Code					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input checked="" type="checkbox"/> is extended, <input type="checkbox"/> is not extended. 2005MAR11 04:00pm Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning <u>2 signed</u> copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. Accounting And Appropriation Data (If required)							
13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.							
<input type="checkbox"/> A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A.		The Changes Set Forth In Item 14 Are Made In					
<input type="checkbox"/> B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).							
<input type="checkbox"/> C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:							
<input type="checkbox"/> D. Other (Specify type of modification and authority)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the Issuing Office.							
14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION							
<p>Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.</p>							
15A. Name And Title Of Signer (Type or print)				16A. Name And Title Of Contracting Officer (Type or print)			
15B. Contractor/Offeror _____ (Signature of person authorized to sign)		15C. Date Signed		16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)		16C. Date Signed	
NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE				30-105-02		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	

<p style="text-align: center;">CONTINUATION SHEET</p>	<p style="text-align: center;">Reference No. of Document Being Continued</p> <p style="text-align: center;">PIIN/SIIN W52P1J-05-R-0010 MOD/AMD 0002</p>	<p style="text-align: center;">Page 2 of 11</p>
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SECTION A - SUPPLEMENTAL INFORMATION
The purpose of this amendment is to change the following:

1. Section A, paragraph A-2, subparagraph 19, page 4, is changed to clarify that the Buy American Act (BAA) certificate provided by the offeror with their proposal will cover the the five year period of the Basic Ordering Agreement. As the result, Section A, paragraph A-2, subparagraph 19 is hereby changed to read: Buy American Act Certification for each CLIN will be at the maximum quantity for that line item. Buy American certifications will apply through all years of the contract. The Government will use the certification that the offeror identifies for each particular CLIN for all years, unless otherwise indicated by the offeror in their certification.
2. Section C, paragraph C-8, STATEMENT OF WORK, subparagraph 3.4.1, page 32, is clarified to identify "Work Breakdown Structure". Therefore, Section C, paragraph C-8, STATEMENT OF WORK, subparagraph 3.4.1 is hereby changed to read "o A detailed Work Breakdown Structure (WBS) for the required number of levels of the supply chain necessary to accomplish the requirements of the contract"
3. Section C, paragraph C-8, suparabraph 3.7.3 on page 35 is changed to delete "will not provide GFM/GFE other than reference ammunition and weapons, for which the Second Source Prime Contractor is unable to procure due to established restrictions by the Bureau of Alcohol, Tobacco and Firearms." As the result, subparagraph 3.7.3 is hereby changed to read: The use of Government Owned Property that is not located at LCAAP is permissible provided all required approvals are obtained by the offeror.
4. Section C, paragraph C-8, STATEMENT OF WORK, subparagraph 4.2, page 37, is changed to reflect the requirement for deliveries to commence 30 days instead of 60 days after approval of the FAAT. As the result, Section C, paragraph C-8, STATEMENT OF WORK, subparagraph 4.2, page 37 is changed to read "For the initial buy and follow-on delivery orders, the deliveries must begin within thirty 30 days after the approval of the FAAT results and are to be completed within twelve (12) months from first delivery. If Delivery Orders are executed which require more than 300M cartridges in any given twelve (12) month period, the offeror shall propose a schedule to meet the requirement. The Government reserves the right to award some, all or none of the requirements if the delivery schedule is not acceptable to the Government.
5. Section E, paragraph E-5, page 46 is hereby changed to add the requirement for the contractor to submit a request for anticipated spare parts requirements as well as test weapons for items identified therein. As the result, paragraph E-5 is changed to read:

E-5	52.245-4538	GOVERNMENT FURNISHED TEST SUPPORT EQUIPMENT	JAN/1995
	LOCAL		

The Government will furnish the following test equipment to support First Article, Reliability, and/or Acceptance Tests. The Contractor will submit a written request for this property to the Contracting Officer no later than forty five (45) days prior to the desired delivery date.

- CLIN 0001 A059: MIL-C-63989 requires the following weapons for ballistic testing. M249 SAW Machine Gun and M16A2 Rifle. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- CLIN 0002 A062: MIL-C-63989 requires the following weapons for ballistic testing. M249 SAW Machine Gun and M16A2Rifle. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- CLIN 0003 A063: MIL-C-63990 requires the following weapons for ballistic testing. M249 SAW Machine Gun and M16A2 Rifle. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- CLIN 0004 A064: MIL-C-63989 requires the following weapons for ballistic testing. M249 SAW Machine Guns and M16A2 Rifle. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- CLIN 0005 A075: MIL-C-63989 requires the following weapons for ballistic testing. M249 SAW Machine Gun, M16, M16A1 and M16A2 Rifles. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- CLIN 0006 A080: The following weapons are required for ballistics testing. M249 MACHINE GUN, M16 Rifle, M16A1 RIFLE, M16A2 RIFLE. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- CLIN 0007 AA33: The following weapons are required for ballistics testing. M249 MACHINE GUN, RIFLES - M16A2. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- M27 Link: The following weapon is required for ballistics testing. M249 MACHINE GUN. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- CLIN 0008 & 0009 A111: The following weapons are required for ballistics testing. Machine guns M60, M240, and Rifle, M14A1. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.
- CLIN 0010 A131: The following weapons are required for ballistics testing. Machine Guns M60, M240, M240B, T65E1 and Rifles M14A1, FN

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(LAR), and H&K G3A2. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.

CLIN 0011 A143: The following weapons are required for ballistics testing. Machine Guns M60, M240, M240B, T65E1 and Rifles M14A1, FN (LAR), and H&K G3A2. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.

M13 Link: The following weapons are required for ballistics testing. Machine Guns M60, M240 (Left Hand Feed), and M240C (Right Hand Feed). This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare partsto AMSFS-CCA-F.

CLIN 0012 A555: The following weapons are required for ballistics testing. Machine Guns M2HB Turrent Type and M2HB Flexible Type Machine Guns. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.

CLIN 0013 A557: The following weapons are required for ballistics testing. Machine Guns M2HB Turrent Type and M2HB Flexible Type Machine Guns. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.

CLIN 0014 A576: The following weapons are required for ballistics testing. Machine Guns M2HB Turrent Type, M2HB Flexible Type, and AN-M3 Aircraft Type Machine Guns. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.

CLIN 0015 A598: The following weapons are required for ballistics testing. M2HB Turrent Type and M2HB Flexible Type Machine Guns. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.

M9 Link: The following weapon is required for ballistics testing. Machine Guns M2HB Turrent Type. This is not a statement of availability. Contractor must submit a request for test weapons and anticipated spare parts to AMSFS-CCA-F.

The offeror shall contact the Contracting Officer at the completion of the contract for disposition instructions on all Government Fulfilled Material (GFM) and Government Furnished Equipment (GFE).

(End of clause)

(ES6115)

6. Section F, paragraph F-15, page 56 is changed to identify the appropriate Attachment number in the first subparagraph. As the result, Section F, paragraph F-15, page 56 is is changed to read "The U.S. Army is utilizing Automatic Identification Technology (AIT) to automate ammunition logistics processes for wholesale supply through transportation nodes to Retail Ammunition Supply Points (ASPs). In order to provide this required functionality, the contractor shall perform the following prior to shipment in conjunction with Attachment 16 of this solicitation.

7. Section I, Provision I-51, page 61, Disputes (JUL 02) Alternate I is hereby deleted.

8. Section L, page 88, L-5, INSTRUCTION TO OFFERORS-COMPETITIVE ACQUISITIONS (JAN 2004) ALTERNATE I is hereby deleted.

9. Section L, in paragraph L-29, page 93,"Management/Technical volume....." is changed to read "Technical/Management volume....." to be consistent with other requirements of Section L and M.

10. Section M, paragraph M-3, page 101 is changed to define the relative weight of Price in comparison to the next most important factor, Past performance. Additionally, this paragraph is changed to include the relative weights of subfactors and to add relative weights for the subfactors under Past Performance. As the result, Paragraph M-3 is changed to the following:

- M-3 BASIS FOR AWARD
- Award will be made to the offeror whose proposal is determined to provide the best value to the Government based on thorough evaluation of the evaluation criteria set forth below and the risk that the offeror will fulfill the requirements of the contract. The relative order of importance assigned to these evaluation factors/sub factors in determining the proposal that provides the best value to the Government shall be as follows:
- A. Technical/Management
 - B. Price
 - C. Past Performance

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D. Small Business Utilization

For Factors, Technical/Management is the most important evaluation factor and is significantly more important than the next most important evaluation factor, Price.
Price is significantly more important than Past Performance. .
Past Performance is slightly more important than Small Business Utilization.
Small Business Utilization is the least important evaluation factor.

For subfactors under Technical Management, Integrated Program/Supply Chain Management is significantly more important than Configuration Management/Compliance to U.S. TDPs and Quality Management System. Configuration Management/Compliance to U.S. TDPs and Quality Management System are of equal importance.

For subfactors under Past Performance, Quality is slightly more important than On Time Deliveries.

For the purposes of evaluation, the term offeror is defined as prime contractor and all participating suppliers/vendors.

11. Section M, paragraph M-4 is changed as follows:

a. page 102, under SubFactor 2, Configuration Management/Compliance to U.S. TDP, sub paragraph 1) "Understanding" is changed to "Knowledge". As the result, subparagraph 1) is changed to read as follows: 1) Knowledge and experience of either the offeror and/or their suppliers/vendors with U.S. Technical Data Packages TDPs), Military Specifications and configuration management practices or appropriate (non U.S.) TDP understanding/experience and their ability to apply this experience to the DODICs specified within this solicitation.

b. page 104, PRICE, subparagraph 3 is changed to delete "and second source analyses". As the result, Section M, paragraph M-4, page 104, PRICE, subparagraph 3 is changed to read as follows: Upon completion of the above steps, each of the grand total DODIC prices will be multiplied by a weight representing the procurement confidence level established for that DODIC. The purpose of the procurement confidence level is to reflect the Government's best probabilities for future orders based upon historical data.

c. page 104 Price, subparagraph 5 is changed to clarify that the Buy American Act (BAA) certificate provided by the offeror with their proposal will cover the the five year period of the Basic Ordering Agreement. Therefore, Section M, paragraph M-4, Price, subparagraph 5 is hereby changed to read: Buy American Act (BAA) requirement will be evaluated and applied in accordance with DFARS 225.503 (and reference clauses) for award on a group basis. Offeror will provide BAA certifications based on the maximum quantities for each CLIN per year of execution as defined in Section A, paragraph A-2, subparagraph 10 of this solicitation. Buy American certifications will apply through all years of the contract. The Government will use the certification that the offeror identifies for each particular CLIN for all years, unless otherwise identified by the offeror in their certification.

d. Section M, paragraph M-4 is changed to identify relative importance of evaluation criteria under the subfactors Integrated Program/Supply Chain Management, Configuration Management/Compliance to U.S. TDP and Quality management System.

As the result of the above, Section M, paragraph M-4 is changed to read as follows:

M-4 PROPOSAL EVALUATION

TECHNICAL MANAGEMENT

Technical/Management Approach addresses the offerors proposed plan by use of an Integrated Program/Supply Chain Management Plan, an integrated master schedule and a detailed Work Breakdown Structure (WBS) on how the offerors intend to arrange for the procurement and/or production, acceptance and delivery of up to 300 Million rounds of small caliber ammunition per year meeting U.S. TDP and military specification requirements for a five year period. It also addresses the offerors plan to expand that capability to up to 500 Million rounds per year if needed. This capability must be based on the potential mix of small caliber ammunition configurations identified in the RFP. Technical/Management Approach consists of the following sub factors:

1. Integrated Program/Supply Chain Management
2. Configuration Management/Compliance to U.S. TDPs
3. Quality Management System

Sub factor 1 Integrated Program/Supply Chain Management:

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The Integrated Program/Supply Chain Management Subfactor will receive both a Technical Rating and Risk Assessment.

Risk Assessment:Determination of risk to the government based on the overall thoroughness and adequacy of response in respect to defined requirements to the program according to the categories listed below:

- 1) Low Risk Assessment: A high probability of meeting the SOW and Contract Requirements.
- 2) Medium Risk Assessment: A medium probability of meeting the SOW and Contract Requirements judged to be borderline-adequate to accomplish the task. Some difficulties could be encountered.
- 3) High Risk Assessment: A low probability of meeting the SOW and Contract Requirements judged inadequate to accomplish the task. Difficulties are expected.

The technical evaluation will be based on the following criteria:

- 1) Experience with similar contract efforts;
- 2) Assessment of program risk and plans for risk mitigation;
- 3) Information dissemination/communication;
- 4)Internal and Enterprise Wide Organizational Structure
- 5)Supply Chain Management
- 6) Capability;
- 7) Capacity; and
- 8) Expansion plans to be used for the procurement and/or production, acceptance and delivery of the identified small caliber ammunition.

Each of the above criteria will be assessed as Exceptional, Good or Poor based on the offerors proposed methodology to meet or exceed the defined requirements. Based on individual criteria assessments, an aggregate rating of Exceptional, Good or Poor will be assessed to the Integrated Program/Supply Chain Management Subfactor. For the aggregate assessment, Criteria 1, Experience with Similar Contract Efforts;Criteria 4, Internal and Enterprise Wide Organizational Structure; and Criteria 5, Supply Chain Management are of equal importance and individually are more important than any of the remaining criteria. Capacity has a minimum mandatory requirement for an immediate Capacity of 300M rounds. A proposal that does not demonstrate an immediate capacity of 300M rounds will receive a Poor rating in Capacity will be assessed Poor for the entire Integrated Program/Supply Chain Management Sub-factor. Each of the remaining criteria are each of equal importance.

Assessment of the criteria will include:

- a) Capability to deliver the 14 DODICs specified in SOW 3.11 and their capacity to meet and/or exceed the 9 DODICs specified in SOW 3.1.
- b) Identification of both primary and alternate suppliers/vendors for this capability and capacity and their ability to obtain necessary capacity and capabilities from the suppliers/vendors.
- c) Available capacity for the remaining 5 DODICs from SOW para 3.11 and/or their plan to provide the capability to deliver.
- d) Plan to account for a potential increase of up to 500 million cartridges per year.
- e) The thoroughness of a detailed WBS for meeting the Government's requirement to provide the capability and capacity to produce/procure, test, package and deliver up to 500M rounds of various calibers and packaging configurations of small caliber ammunition per year as described in this RFP.
- f) How the offeror plans for, schedules and identifies necessary resources and includes the identification and retention of necessary personnel, critical skills and qualifications.
- g) The offeror's demonstrated experience with US Government Contracts, Conventional Ammunition End Items and supply chain management of multi-faceted production and their management of suppliers/vendors for the procurement/production, acceptance, packaging and delivery of ammunition items.
- h) Completeness and adequacy of the offeror's integrated program/supply chain management master plan to meet the requirements listed in paragraph 3.4 of the SOW. The evaluation will include, but not be limited to, how the offeror manages their subcontractors; assures the timely horizontal and vertical flow of information between and among their internal operations, in-house production, suppliers/vendors and government representatives; plans and schedules production; identifiessignificant risk items, single source/single point failures, and plans and implements risk mitigationactivities; tests components and assemblies; collects and analyzes test data; conducts engineering studies; assures cartridge level TDPs and specifications are met; resolves manufacturing or quality

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issues; and manages corrective actions across all suppliers/vendors.

i) Completeness and adequacy of the integrated master schedule to address the tasks, durations, dependencies and sequencing of all actions, resources, and integration of events necessary to comply with the requirements of the SOW and this RFP.

Sub factor 2 Configuration Management/Compliance to U.S. TDP

The Configuration Management/Compliance to U.S. TDP Subfactor will receive both a Technical Rating and Risk Assessment.

Risk Assessment:Determination of risk to the government based on the overall thoroughness and adequacy of response in respect to defined requirements to the program according to the categories listed below:

- 1) Low Risk Assessment: A high probability of meeting the SOW and Contract Requirements.
- 2) Medium Risk Assessment: A medium probability of meeting the SOW and Contract Requirements judged to be borderline-adequate to accomplish the task. Some difficulties could be encountered.
- 3) High Risk Assessment: A low probability of meeting the SOW and Contract Requirements judged inadequate to accomplish the task. Difficulties are expected.

The technical evaluation will be based on the following criteria:

- 1) Production and Configuration Management Experience;
- 2) Proposed practices for the information flow/distribution of configuration management actions;
- 3) Thoroughness of analysis of the U.S. TDP requirements to the Offeror's current production practices/products;
- 4) Completeness of submitted lists for all energetic materials, lacquers and sealants; and
- 5) Ability to assure compliance to U.S. TDP, Specifications and Configuration Management Practices.

Each of the above criteria will be assessed as Exceptional, Good or Poor based on the offerors proposed methodology to meet or exceed the defined requirements. Based on individual criteria assessments, an aggregate rating of Exceptional, Good or Poor will be assessed to the Configuration Management/Compliance to U.S. TDP Subfactor. For the aggregate assessment, Criteria 2, Proposed Practices for the Information Flow/Distribution of Configuration Management Actions; and Criteria 5, Ability to Assure Compliance to US TDP, Specifications and Configuration Management Practices are of equal importance and each individually are more important than any of the remaining criteria. Each of the remaining criteria are of equal importance.

Assessment of the criteria will include:

- 1. Knowledge and experience of either the offeror and/or their suppliers/vendors with U.S. Technical Data Packages (TDPs), Military Specifications and configuration management practices or appropriate (non U.S.) TDP understanding/ experience) and their ability to apply this experience to the DODICs specified within this solicitation.
- 2. Procedures for reviewing, implementing, distribution and assuring compliance of configuration management actions (ECPs, RFDs, RFWs, NORs, etc.) between the offeror and suppliers/ vendors.
- 3. Analysis of differences between the U.S. TDP/Military Specifications and items currently produced by either the offeror and/or their suppliers/vendors manufacturing processes for each cartridge type and how they plan to address identified differences, omissions and discrepancies.
- 4. Listing of all types of energetic materials, lacquers and sealants proposed to be utilized in the production of the various small caliber ammunition designs and packing configurations for confirmatory review; identification of potential U.S. hazardous materials (such as, ODCs, VOCs, Heavy Metals, etc.) which may require identification/implementation of alternative materials, further monitoring, and/or waivers; and identification of alternative materials and plans to implement, as appropriate.
- 5. Evidence to ensure that all proposed in-house production and/or suppliers/vendors who are currently producing or have experience producing to U.S. TDP or appropriate (non U.S.), Military Specifications, and configuration management practices for small caliber ammunition/components and related items. Provide evidence that small caliber ammunition/components and related items are capable of meeting U.S. TDP requirements and Military Specifications using approved configuration management practices by the time of FAAT as defined by the contract requirements.

Sub-Factor 3 Quality Management System

The Quality Management System Subfactor will receive both a Technical Rating and Risk Assessment.

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Risk Assessment: Determination of risk to the government based on the overall thoroughness and adequacy of response in respect to defined requirements to the program according to the categories listed below:

- 1) Low Risk Assessment: A high probability of meeting the SOW and Contract Requirements.
- 2) Medium Risk Assessment: A medium probability of meeting the SOW and Contract Requirements judged to be borderline-adequate to accomplish the task. Some difficulties could be encountered.
- 3) High Risk Assessment: A low probability of meeting the SOW and Contract Requirements judged inadequate to accomplish the task. Difficulties are expected.

The technical evaluation will be based on the following criteria:

- 1) Level of Certification/Compliance or the Quality Management System;
- 2) Determination of Inspection Criteria;
- 3) Verification of Product Quality/TDP Compliance;
- 4) Critical Characteristics;
- 5) Statistical Process Control;
- 6) Calibration System;
- 7) Material Control System; and
- 8) Failure Analysis.

Each of the above criteria will be assessed as Exceptional, Good or Poor based on the offerors proposed methodology to meet or exceed the defined requirements. Based on individual criteria assessments, an aggregate rating of Exceptional, Good or Poor will be assessed to the Quality Management System Subfactor. For the aggregate assessment, Criteria 1, Level of Certification/Compliance of the Quality Management Systems; and Criteria 4, Critical Characteristics are of equal importance and each individually are more important than any of the remaining criteria. Each of the remaining criteria are of equal importance.

Assessment of these criteria will include:

- 1) The Second Source Prime Contractors level of certification and/or compliance with ISO 9001-2000 or an equivalent quality management system, and their ability to meet and flow down to their supplier/vendor base the provisions of the Contract Quality Requirements.
- 2) The Second Source Prime Contractors suppliers/vendors level of certification and/or compliance with ISO 9001-2000 or an equivalent quality management system, and their ability to meet the Contract Quality Requirements.
- 3) The offerors description of their methodology for communicating TDP and inspection requirements to all participating suppliers; and their plans for establishing and maintaining an inspection system at all supplier facilities that controls all listed and key characteristics, and ensures full compliance with the technical data package. The Offeror will also be rated on their formal follow-up process to assure that pertinent information is received, understood and appropriately implemented in a timely basis.
- 4) The offerors description of their plan to meet the critical defect requirements of this contract, and how this plan will prevent and control the occurrence of critical defects. The proposal will be rated with respect to experience that the offeror may have managing programs containing critical safety characteristics in their components and/or final products. The offerors plan will also be evaluated for provisions that ensure that critical defect requirements are properly communicated and flowed down to all applicable suppliers, and their formal follow-up process to assure that pertinent information is received, understood and appropriately implemented in a timely basis.
- 5) The offerors description of their SPC methodology and techniques that will be utilized during the performance of this contract, for both proactive and reactive situations that may be encountered. Offeror will also be evaluated on their plans to communicate and flow down SPC requirements to their suppliers/vendors and their formal follow-up process to assure that pertinent information is received, understood and appropriately implemented in a timely basis.
- 6) The offerors description of their proposed calibration system requirements and how this system will ensure reliable and repeatable test and inspection results on a continuous basis throughout the performance of this contract. Offeror will also be evaluated on their plans to flow down calibration system requirements to their supplier/vendor facilities, and their formal follow-up process to assure that pertinent information is received, understood and appropriately implemented in a timely basis.
- 7) The offerors description of their proposed material control system requirements, and how this system will track and maintain the inspection status of all in-process and completed material. Plans for the segregation and control of non-conforming material will also be evaluated. The offerors description will be evaluated on its provisions to flow down the material control system requirement to their supplier/vendor facilities, and their formal follow-up process to assure that pertinent information is received, understood and appropriately implemented in a timely basis.

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8) The offerors description of their plans for conducting failure investigations and associated corrective actions, and how these plans will be implemented at the supplier/vendor facilities. The Offeror will also be rated on their formal follow-up process to assure that pertinent information is received, understood and appropriately implemented in a timely basis.

PRICE

Offerors are required to provide two separate price matrices - one that will include First Article Acceptance Test (FAAT) costs and one that will not include FAAT costs. The price matrix with FAAT cost will be used for evaluation.

The Government will evaluate the price proposals based on the following:

1. The Government will develop a Best Estimated Quantity (BEQ) for each DODIC in the solicitation. The BEQ represents the Governments best estimate of the quantity to be procured. In addition, quantities lower and higher than the BEQ will be developed for evaluation purposes. Their function is to evaluate potentially different prices offered for quantities at points other than the BEQ to provide some objective measure of assessing pricing at other quantities. The three quantities (BEQ, low, and high) are hereafter referred to as the evaluation points.

2. Each DODIC will be evaluated as follows:

a) For each of the six ordering periods and each destination, the Government will add the cartridge and shipping unit prices that corresponds to the evaluation points. The resulting sums are the total unit prices for each destination and year.

b) The total unit prices calculated above will then be multiplied by their respective evaluation point quantities and destination confidence levels (probability that the Government will ship to each location). The confidence level for the CONUS destination is more than three times the weight of each of the other three destinations (SWA, Europe, or PACOM), individually. The other three destinations are equal in weight. The destination confidence levels add up to 100 percent. The resulting products are the total price for each year and each destination.

c) The total prices calculated above will then be added together. The resulting sum for each of the three evaluation points will be multiplied by the quantity confidence level applicable to each point. The resulting product is the weighted total price for the evaluation point. The quantity confidence level for each evaluation point represents an estimate of the likelihood of an actual award at that evaluation point and is used to develop the expected value for the DODIC. The three quantity confidence levels for the evaluation points add up to 100 percent.

d) The weighted total price for each of the three quantity evaluation points will be added together to arrive at the grand total DODIC price.

3. Upon completion of the above steps, each of the grand total DODIC prices will be multiplied by a weight representing the procurement confidence level established for that DODIC. The purpose of the procurement confidence level is to reflect the Government's best probabilities for future orders based upon historical data.

4. The prices developed above are then added together to arrive at a single total evaluated price. An example illustrating the above steps is attached (see Section J, attachment 013). To this price will be added any other evaluation factors as required by the solicitation (e.g., Rent Free Use of Government Property, Buy American Act, etc.). The resulting price will be the evaluated price.

5. Buy American Act (BAA) requirements will be evaluated and applied in accordance with DFARS 225.503 (and referenced clauses) for award on a group basis. Offeror's will provide BAA certifications based on the maximum quantities for each CLIN per year of execution as defined in paragraph A-10 of the executive summary of this solicitation. Buy American Act certifications will apply through all years of the Basic Ordering Agreement. The Government will use the certification that the offeror identifies for each particular CLIN for all years unless identified by the offeror in their certification.

6. In accordance with FAR 15.404-1(g), i.e., Unbalanced Pricing, a proposal may be rejected if the Contracting Officer determines the lack of balance poses an unacceptable risk to the Government.

Price Analysis shall be used to determine price reasonableness. Additional analysis techniques may be used as determined necessary by the Procuring Contracting Officer or Source Selection Authority. These methods of evaluation may include the use of information/input from sources such as (but not necessarily limited to) other Government agencies and personnel.

Financial Capability information will be evaluated for responsibility determination only.

PAST PERFORMANCE

Past Performance shall be evaluated only on past performance data. The Government will review data for the prime contractor and all

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primary and secondary suppliers/vendors that will be used to meet the requirements of the SOW to the cartridge level only (LAP). Assumptions, preconceived ideas, and personal knowledge or opinions for these factors not supported by verifiable data will not be considered or used as a basis for evaluation. The Government's evaluation of Past Performance may include data/information from sources other than those provided with the offerors proposal.

Sources available to the Government other than the offerors proposal will be used to evaluate past performance. Sources such as, but not limited to, contracting and pre-award offices at other commands may be used to gather information used to gather information. In addition, the Government has the right to consider information regarding contractor performance up to the date of award.

The offerors past performance will be evaluated in terms of on-time deliveries and quality of performance. The Government will evaluate all relevant quality issues that it discovers during the period of recent performance, regardless of when the actual delivery was made.

Past Performance will be rated on the basis of program risk, (High, Medium or Low) to the categories listed below:

Exceptional/Risk Assessment: A high probability of meeting the on-time deliveries and quality described in the SOW.

Good/Risk Assessment: A medium probability of meeting the on-time deliveries and quality described in the SOW. Some difficulties could be encountered.

Neutral/Risk Assessment: No determination on the probability of meeting the on-time deliveries and quality described in the SOW could be made on the offeror due to no contract information by which Recent, Relevant Past performance can be rated.

Poor/Risk Assessment: A low probability of meeting the on-time deliveries and quality described in the SOW. Difficulties will be expected.

SMALL BUSINESS UTILIZATION

As required by DFARS 215.304, Small Business Utilization will be an evaluation factor under this source selection. The goal of the Small Business program is to encourage the creation of jobs in the U.S. Small Business sector.

1. The Government will evaluate all offerors (small, large and foreign) proposed utilization of:
 - A. Small Business (SB)
 - B. Small Disadvantaged Business (SDB)
 - C. Women-Owned Small Business (WOSB)
 - D. Veteran-Owned Small Business (VOSB)
 - E. Service Disabled Veteran-Owned Small Business (SDVOSB)
 - F. Historically Underutilized Business Zone Small Business (HUBZone) hereinafter all to be referred to as SB; and
 - G. Historically Black Colleges and Universities/Minority Institutions (HBCU/MI).

2. For Small Businesses, as identified by the size standard for the North American Industry Classification System (NAICS) applicable to this solicitation, the offerors own participation as a SB or HBCU/MI is to be identified and will be considered in evaluating small business utilization.

3. The Government will evaluate the extent to which an offeror identifies and commits to utilizing SB and HBCU/MI in the performance of the proposed contract as well as how well it has performed in this regard in the past. Such utilization may be as the contractor, a subcontractor, or as a member of a joint venture or teaming arrangement. The elements to be evaluated are:
 - a) Complexity of specific products or services that will be provided by those SBs and HBCU/MIs.
 - b) The extent of Small Business participation in terms of value of the total contract.

4. Realism - The Government will evaluate the offerors actual past performance in achieving the proposed small business utilization on contracts performed within three years prior to the initial solicitation closing date for same or similar items to assess the realism of proposed small business utilization. This evaluation will include an assessment of:
 - a) The offeror's performance as prescribed by the Federal Acquisition Regulation (FAR) clause 52.219-8, Utilization of Small Business Concerns.
 - b) For large business offerors, their performance as prescribed by FAR 52.219-9, Small Business Subcontracting Plan. This includes evaluation of the offerors actual performance in meeting SB and HBCU/MI subcontracting goals. Large businesses that have not held a contract in the past three years that included FAR 52.219-9, will be evaluated against FAR 52.219-8 only.

Note: Offerors without a record of past performance in small business utilization will not be considered favorably or unfavorably in

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developing a realism assessment. The fact that the offeror has no past performance in small business utilization will be noted for the Source Selection Authority.

12. Attachment 13 has been revised to reflect a determination that the Buy American Act factor does not apply to the shipping portion of the "total evaluated price prior to other evaluation factors". This determination was based on a review of questions relating to the Buy American Act received since the issuance of this solicitation. As the result, Attachment 13 to this solicitation is hereby deleted and replaced by new attachment 13.

13. Attachment 19 has been revised to reflect a determination that the Buy American Act factor does not apply to the shipping portion of the "total evaluated price prior to other evaluation factors". This determination was based on a review of questions relating to the Buy American Act received since the issuance of this solicitation. As the result, Attachment 19 to this solicitation is hereby deleted and replaced by new attachment 19.

14. Hazardous Component Safety Data Statement are hereby incorporated in this solicitation as Attachment 21.

15. Drawing 9349295, Sheet 2 for the M249 200 round magazine bandoleer is hereby incorporated into the solicitation as Attachment 22.

16 NOTE THAT THE CLOSING DATE FOR THIS SOLICITATION HAS BEEN EXTENDED TO 11 MAR 2005, 1600 HOURS CST.

*** END OF NARRATIVE A 002 ***

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SECTION J - LIST OF ATTACHMENTS

<u>List of</u> <u>Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number</u> <u>of Pages</u>	<u>Transmitted By</u>
Attachment 021	HAZARDOUS COMPONENT SAFETY DATA STATEMENT			
Attachment 022	DRAWING 9349295 SHEET 2, M249 200 ROUND MAGAZINE BANDOLEER			